Overview. USG employees are public servants and expected to devote their full effort to furthering the mission of the institution. Base pay plans should be designed to appropriately compensate employees for their service in a fair and equitable manner while also providing merit-based adjustments consistent with employee performance. As such, incentive compensation should be used sparingly and only when clearly in the best interest of the institution. Institutions should ensure that incentive plan use does not create a culture of expecting that simply performing one’s duties well or contributing to the institution’s improvement entitles the employee to incentive compensation. High-performance employees normally should be recognized through merit adjustments, training and assignment opportunities, and promotions.

Policy Statement
The Board authorizes Incentive Compensation and Rewards Programs as outlined in this policy to 1) promote efficiency and effectiveness in achieving strategic organizational goals and 2) enhance the recruitment, engagement, and retention of critical skills and talent necessary to achieve institutional goals. Incentive plans are also acceptable for critical projects or needs substantially above the normal work requirements. Performance criteria or goals must be specified in the institutions plan.

Each institution intending to implement an Incentive Compensation and Rewards program must submit their plan for approval to the USG Office of Fiscal Affairs and Office of Human Resources by completing the online Incentive Compensation Approval Form Request. A minimum of 30 days advance notice is required on all requests. A notice of approval must be received by the Institution prior to implementation. Incentive Compensation Program questions can be submitted to the USG Office of Human Resources via email at usg-hr@usg.edu.

Incentive Compensation Programs become effective upon approval by the USG Office of Human Resources and the USG Office of Fiscal Affairs. Certifications remains in effect for one year. When critical goals are achieved and incentive pay is provided, new target goals should be established and the plan resubmitted or the plan must be discontinued.

Incentive Compensation and Rewards Program. Please select the type of program and attach documentation.

- Goal Based Incentive Program
- Hiring Incentive Program
- Extraordinary Service Incentive Program
- Employee Suggestion Incentive Program

Plan Overview. Please provide a summary of the plan goals and expected outcomes as well as the projected cost estimate. The full details of the plan policies and guidelines should be attached to this form.
BOR Incentive Compensation and Rewards Program Request for Approval Form

Required Signatures

______________________________  ______________________________  ________________
Chief Human Resources Director Name    CHRO Signature  Date

______________________________  ______________________________  ________________
Chief Business Officer Name      CBO Signature   Date

______________________________  ______________________________  ________________
President or Designee name   President/Designee Signature   Date

USG CERTIFICATION

Decision: □ Approved  □ Denied

Additional Comments (if applicable):

Request Date

Institution Name

Human Resources Contact Name  Title  Email Address

Chief Business Officer Contact Name  Title  Email Address

Vice Chancellor of Human Resources Signature
(OR Designee)  Date

Vice Chancellor of Fiscal Affairs Signature
(OR Designee)  Date